

EXHIBIT 20



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HEADLINE: Publisher agrees to stop printing list of drug prices;
Plaintiffs believed firm helped push costs up

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BODY:

NEW YORK - A publisher of prescription drug prices has agreed to eventually stop publishing its controversial list of wholesale medicine prices, which numerous critics have blamed for driving up drug costs, as part of a settlement that alleged it had conspired to increase markups.

The plaintiffs said the settlement, which was filed in U.S. District Court in Massachusetts late Thursday and still needs a judge's approval, will save health plans \$4 billion. In a statement, the publisher, First DataBank, said it did nothing wrong and that it is not paying any damages to the plaintiffs in the case.

First DataBank produces a list of the average wholesale price of numerous drugs, and the suit alleged it conspired with drug wholesaler McKesson Corp. to manipulate the price of medicines to benefit that company's customers, which include drug stores, hospitals and nursing homes.

Under the settlement, First DataBank will change how it calculates average wholesale prices before phasing it out. This is important because that price is used in the formula that determines how much health plans pay pharmacy benefit managers and drug stores for prescription medicines. The hope is that the changes will result in a lower average wholesale price, which would cut retail drug prices.

In the lawsuit, plaintiffs alleged that First DataBank and McKesson arbitrarily increased the difference between what pharmacies pay wholesalers for prescription drugs and what they charge health plans and insurers. Pharmacies typically buy drugs from wholesalers at a price based on a benchmark called the wholesale acquisition cost. But the pharmacies charge consumers, insurance companies and health plans based on the average wholesale price.

The difference between the two is called the spread. This case claimed that McKesson and First DataBank increased the spread from 20 percent to 25 percent on hundreds of drugs. Reducing the spread should cut the prices

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health plans pay pharmacies for drugs.

McKesson is not part of the settlement, reached in a class action suit brought by the New England Carpenters Health Benefits Fund and AFSCME District Council 27 Health and Security Plan.

In a statement, McKesson said it did not conspire with First DataBank to raise the published average wholesale prices of drugs and that it did nothing wrong. It said it intends to defend itself against the charges.

McKesson shares fell \$2.64 or nearly 5 percent to \$50.54 in trading on the New York Stock Exchange on Friday.

Deutsche Bank analyst Barbara Ryan said she believes the stock fell because a Wall Street Journal article, which first reported the settlement, implies the company engaged in illegal activity. She said that McKesson's profits are not directly affected by a drug's average wholesale price.

Still, stock prices of other wholesalers also fell. Amerisourcebergen Corp. shares slipped 78 cents or 1.67 percent to \$45.95 on the NYSE, while Cardinal Health Inc. stock dropped \$2.36 or 3.56 percent to \$64.02, also on NYSE.

Ryan said drug makers will not be affected by any changes to average wholesale prices because they are set after pharmaceutical companies sell their product to wholesalers.

She maintains that companies such as drug stores and pharmacy benefit managers, which make money on the difference between what they pay for drugs and the price at which they sell them, will be hurt if changes to average wholesale prices shrink that spread.

Sean Brandle, a vice president at consulting firm The Segal Co., said it is too early to determine the financial fallout from the settlement because deals based on the average wholesale price published by First DataBank are likely to be renegotiated. He noted that other companies also publish lists of wholesale prices.

"The reason stocks are down is because there is so much uncertainty now about how companies (such as drug stores and pharmacy benefit managers) are going to decide what to charge for drugs," Brandle said.

In a statement, CVS said that if the average wholesale prices were suddenly reduced, it would renegotiate the formula used to reimburse it for prescription drugs. It said that "virtually all of our commercial agreements are 'at-will' agreements, which can be renegotiated freely."

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